



County of Los Angeles CHIEF EXECUTIVE OFFICE

Kenneth Hahn Hall of Administration
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WILLIAM T FUJIOKA
Chief Executive Officer

November 18, 2008

The Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, CA 90012

Dear Supervisors:

**FACILITY USE LICENSE CONTRACTS WITH THE
LOS ANGELES COUNTY FAIR ASSOCIATION, POMONA
FOR THE LOS ANGELES COUNTY PUBLIC AUCTION
OF TAX-DEFAULTED PROPERTY
(FIRST DISTRICT) (3 VOTES)**

SUBJECT

This recommendation is to approve the Treasurer and Tax Collector (TTC) to conduct two auctions of tax-defaulted property at the Los Angeles County Fairgrounds (Fairgrounds) in Pomona and to instruct the Chief Executive Officer, or his designee, to execute two facility use agreements for said auctions with the Los Angeles County Fair Association (Fairplex).

IT IS RECOMMENDED THAT YOUR BOARD:

1. Approve two facility use licenses for the Los Angeles County Treasurer and Tax Collector for the use of facilities at the Los Angeles County Fairgrounds in Pomona on February 9 and 10, 2009, and August 17 and 18, 2009, in order to conduct public auctions for the sale of defaulted property subject to the power of sale.
2. Instruct the Chief Executive Officer or his designee to execute the two facility use license contracts and authorize total payment in the amount of \$20,548, which includes a \$2,000 contingency fee to be paid if unanticipated expenses occur for the use of the facility.
3. Find that the facility use license is categorically exempt from the California Environmental Quality Act (CEQA).

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PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

The purpose of this action is to secure a location to enable the TTC to conduct tax sales during the calendar year 2009. The TTC has submitted a resolution for approval of the tax sale to your Board in October 2008 for the February 2009 tax sale and will submit a resolution in March 2009 for the August 2009 tax sale.

Customarily, the TTC conducts tax sales twice a year. The most recent auction was conducted on February 11 and 12, 2008, pursuant to a license previously approved by your Board on September 18, 2007. The Fairgrounds facility is an ideal venue for these auctions because of its location and capacity to accommodate the number of anticipated attendees.

Implementation of Strategic Plan Goals

Recovery of delinquent taxes through the sale of tax-defaulted property is consistent with the County's Strategic Plan goal of Fiscal Responsibility, Goal 4. Additionally, providing this facility for auctions complies with Goal 1 to provide accessible and quality services to the public.

FISCAL IMPACT/FINANCING

The County will incur a cost of \$10,274 for the month of February 2009 and \$10,274 for the month of August 2009, to conduct two public auctions at the Fairgrounds facility. The public auctions of tax-defaulted property will enable the TTC to recover unpaid property taxes, penalties and costs on delinquent parcels.

Presently, no County facility is capable of accommodating the anticipated 2,000 attendees.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

Under Section 3692 of the California Revenue and Taxation Code, the TTC is obligated to bring tax defaulted property to auction within four years of the time that the property becomes subject to sale, and if no acceptable bids are received, the TTC is obligated to re-offer the property for sale at intervals of not more than six years. Upon receiving authorization from your Board in October 2008, and anticipated authorization in March 2009 to conduct the tax sales, the TTC will proceed with conducting the sales in February 2009 and August 2009. The TTC estimates that approximately 1,200 tax-defaulted properties will be offered for sale to an anticipated group of more than 2,000 attendees.

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ENVIRONMENTAL DOCUMENTATION

The recommended action is categorically exempt from the CEQA pursuant to Class 1 and Class 23 of the Environmental Document Reporting Procedures and Guidelines adopted by your Board on November 17, 1987, and Sections 15301 and 15323 of the State CEQA Guidelines.

IMPACT ON CURRENT SERVICES (OR PROJECTS)

The site selected to conduct these auctions should enhance the sale of the various delinquent properties by providing adequate space to accommodate an anticipated group in excess of 2,000 attendees and related parking.

Respectfully submitted,



WILLIAM T FUJIOKA
Chief Executive Officer

WTF:DL:JSE
WLD:AA: lis

c: County Counsel
Auditor-Controller
Treasurer and Tax Collector